



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

**75 Hawthorne Street
San Francisco, CA 94105-3901**

May 11, 2006

In Reply AIR-3
Refer To: NSR 4-4-4
 SAC 03-01

Mr. Stephen R. Aldridge
Manager, Environmental Health and Safety
Knauf Insulation GmbH
240 Elizabeth Street
Shelbyville, Indiana 46176

RE: Final Approval of the PSD Permit for Knauf Insulation in Shasta Lake, CA

Dear Mr. Aldridge:

In accordance with the provisions of the Clean Air Act, as amended (42 U.S.C. 7401 et seq.), the Region 9 office of the United States Environmental Protection Agency (EPA) has reviewed your application and supplemental documentation to modify your Prevention of Significant Deterioration (PSD) permit originally issued on March 14, 2000, for the construction and operation of a wool fiberglass insulation facility located in Shasta Lake, Shasta County, California.

A request for public comment regarding EPA's proposed action was published in the Redding Record Searchlight on January 31, 2006. Enclosed is a copy of EPA's response to those significant comments received. After consideration of the expressed views of all interested persons, and pertinent Federal statutes and regulations, the EPA hereby is finalizing its proposal to issue the modified PSD permit.

The Consolidated Permit Regulations (40 CFR Part 124) require that we notify the permit applicant and each person who submitted written comments or requested notice of the final permit decision and advise them of the process for petitioning the Environmental Appeals Board of the United States Environmental Protection Agency to review any condition of the permit decision. Any petition must include a statement of the reasons supporting review, including a demonstration that any issues raised were raised during the public comment period to the extent required by the regulations and, when appropriate, a showing that the permit condition in question is based on:


- (1) A finding of fact or conclusion of law which is clearly erroneous; or
- (2) An exercise of discretion or an important policy consideration which the Administrator should, in his or her discretion, review.

An appeal to the Administrator for review of the permit decision must be filed not later than thirty (30) days after EPA has provided notice of the final permit decision. 40 C.F.R. §124.19.

This enclosed PSD permit shall take effect thirty (30) days after EPA has provided notice of the final permit decision unless a petition for review is timely filed. 40 C.F.R. §124.15.

If you have any questions regarding this matter, please contact Shaheerah Kelly of the Permits Office at (415) 947-4156.

Sincerely,


for Deborah Jordan
Director, Air Division

Enclosures (3)

cc: Russ Mull, Shasta County AQMD
Robert Fletcher, California Air Resources Board